

ND STATE INVESTMENT BOARD

State Investment Board Balance Sheet As of 9/30/2008

	As of <u>9-30-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,438,620,242	\$ 1,603,374,536
INTERNATIONAL EQUITIES	600,882,233	751,763,915
DOMESTIC FIXED INCOME	2,027,023,760	2,116,937,618
INTERNATIONAL FIXED INCOME	183,530,125	193,480,800
REAL ESTATE	415,209,405	433,101,768
ALTERNATIVE INVESTMENTS	193,854,784	203,274,502
INVESTED CASH (NOTE 1)	<u>65,020,629</u>	<u>82,143,865</u>
 TOTAL INVESTMENTS	 4,924,141,178	 5,384,077,004
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	23,027,682	22,250,638
MISCELLANEOUS RECEIVABLE	<u>6,707</u>	<u>7,894</u>
 TOTAL RECEIVABLES	 23,034,389	 22,258,532
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	165,726,976	193,890,417
OPERATING CASH	<u>100,619</u>	<u>110,297</u>
 TOTAL ASSETS	 <u>\$ 5,113,003,162</u>	 <u>\$ 5,600,336,250</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	165,726,976	193,890,417
ACCOUNTS PAYABLE	12,699	34,863
ACCRUED EXPENSES	61,985	56,242
INVESTMENT EXPENSE PAYABLE	<u>6,780,272</u>	<u>6,781,460</u>
 TOTAL LIABILITIES	 172,581,932	 200,762,982
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	5,399,573,268	5,635,611,032
CASH IN DURING YEAR (NOTE 3)	54,618,000	365,048,641
CASH OUT DURING YEAR (NOTE 4)	95,721,438	353,400,350
NET INCREASE (DECREASE)	<u>(418,048,600)</u>	<u>(247,686,055)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>4,940,421,230</u>	 <u>5,399,573,268</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 5,113,003,162</u>	 <u>\$ 5,600,336,250</u>

ND STATE INVESTMENT BOARD

State Investment Board Profit and Loss Statement For the Month Ended 9/30/2008

	Month Ended <u>9-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 12,332,480	\$ 35,492,429
SECURITIES LENDING INCOME	413,020	1,252,680
	<u>12,745,500</u>	<u>36,745,109</u>
 GAIN ON SALE OF INVESTMENTS	 67,674,479	 156,544,747
LOSS ON SALE OF INVESTMENTS	<u>78,956,753</u>	<u>159,322,117</u>
 NET GAINS (LOSSES) INVESTMENTS	 (11,282,274)	 (2,777,370)
 INVESTMENT EXPENSES	 463,070	 6,154,727
SECURITIES LENDING EXPENSES	339,436	997,377
 NET INVESTMENT INCOME	 660,720	 26,815,635
 NET APPREC (DEPREC) MARKET VALUE	 (346,979,443)	 (446,470,293)
MISCELLANEOUS INCOME/(EXPENSE)	<u>1,123,765</u>	<u>1,742,428</u>
 TOTAL INVESTMENT INCOME	 <u>(345,194,958)</u>	 <u>(417,912,230)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	54,639	136,370
 NET INCREASE (DECREASE)	 <u>\$ (345,249,597)</u>	 <u>\$ (418,048,600)</u>

ND STATE INVESTMENT BOARD
Notes To Financial Statements
September 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.